or stock, two arbitrary rules of distribution have been adopted: the Massachusetts rule, giving all cash dividends to the life tenant and all stock dividends to the remainderman, and the Kentucky rule, giving all dividends, whether cash or stock, to the life tenant. *Minot* v. *Paine*, 99 Mass. 101; *Hite* v. *Hite*, 93 Ky. 257, 20 S. W. 778. Pennsylvania, however, has instituted a third rule attempting an equitable apportionment: the life tenant is accorded that portion of the dividend, regardless of whether cash or stock, that is derived from earnings accrued since the trust was imposed, and the balance is given to the remainderman. *Earp's Appeal*, 28 Pa. St. 368. Under this rule the practical difficulties in ascertaining the time at which the income actually accrued, and in accounting for enhancement in the corporation assets from other sources than accrued earnings, greatly impede satisfactory apportionment. And when the dividend is of stock, there are further objections to taking it away from the remainderman. For the intention of the settlor seems to be to give the remainderman the present ownership of the stock subject only to the right of the life tenant to its earnings. Hence, to diminish the remainderman's proportionate share in the corporation, and to give to the life tenant, by means of the new stock, an interest in the old assets of the corporation, is technically to defeat this intention. See 26 HARV. L. REV. 77. Furthermore, unless the right is taken into consideration in apportionment, this rule deprives the remainderman in substance of the right of a stock owner to subscribe to any new issue of stock. *Carter* v. *Crehore*, 12 Hawaii, 309. In spite of these drawbacks, in the principal case Vermont has adopted the Pennsylvania rule, and New York and Delaware have recently done likewise, though thereby reversing their former arbitrary rules. Compare *Re Osborne*, 209 N. Y. 450, 103 N. E. 723, with *McLouth* v. *Hunt*, 154 N. Y. 179, 48 N. E. 548; and *Bryan* v. *Aiken*, 86 Atl. 674 (Del.), with *Bryan* v. *Aiken*, 82 Atl. 817 (Del.). On the other hand, Ohio has recently approved the Massachusetts rule. *Wilberding* v. *Miller*, 90 Oh. St. 28, 106 N. E. 665.

EQUITY — SPECIFIC PERFORMANCE — CONTRACT TO BUILD AND OPERATE A DEPOT. — The defendant railroad, in consideration of a grant of a right of way and depot grounds, covenanted with the plaintiffs to erect, maintain, and operate a depot thereon for the general accommodation of the public. The defendant built the depot but operated it for only a short period. The plaintiffs pray for a decree of specific performance. *Decreed*, that defendant operate the depot according to the terms of the covenant so long as such operation remains consistent with its duties to the public. *Harper* v. *Virginian Ry. Co.*, 86 S. E. 919 (W. Va.).

It has frequently been asserted that a court of equity has no jurisdiction to compel performance of a contract involving continuing acts. See 16 HARV. L. REV. 293. But the trend of modern cases, at least in railroad contracts, indicates a complete reversal of that position. *Murray* v. *Northwestern Ry. Co.*, 64 S. C. 520, 42 S. E. 617; *Schmidt* v. *Louisville, etc. Ry. Co.*, 19 Ky. L. Rep. 666, 41 S. W. 1015. See BISPHAM, PRINCIPLES OF EQUITY, 6 ed., § 377. The jurisdiction, however, being concurrent, is entirely lacking if the contract is void at law on grounds of public policy. In general this is the case when a railroad by covenant restricts its freedom of action. *Williamson* v. *Chicago, etc. Ry. Co.*, 53 Ia. 126; *St. Joseph, etc. Ry. Co.* v. *Ryan*, 11 Kan. 602. But contracts to operate a depot at a specified place have usually been held good. *Louisville, New Albany, etc. Ry. Co.* v. *Sumner*, 106 Ind. 55, 5 N. E. 404. See 21 AM. & ENG. R. R. CASES, n. s. 835. These decisions may be rested on the construction given to such contracts by many courts, that the contract, in spite of its terms, calls for performance only so long as it is in accord with public policy. *Texas & Pacific Ry. Co.* v. *Marshall*, 136 U. S. 393; *Atlanta, etc. Ry. Co.* v. *Camp*, 130 Ga. 1, 60 S. E. 177; *Jones* v. *Newport News, etc. Co.*, 65 Fed.

736. Though it may be contended that this interpretation creates a new contract for the parties, yet courts have acted similarly in the somewhat analogous cases of equitable servitudes. See 29 HARV. L. REV. 106. Again, the decisions may also be supported on the ground that, though the contracts are such as might become opposed to public interest, the contingency thereof is too slight to make them void at law. But even if the law considers such contracts valid, certainly equity will refuse to grant specific performance after they have become opposed to the public interest. *Conger* v. *New York, West Shore, etc. Ry. Co.*, 120 N. Y. 29. The conditional decree in the principal case was framed to anticipate such a situation.

HUSBAND AND WIFE — RIGHTS AND LIABILITIES OF WIFE — CONTRACTS BY WIFE TO CONVEY HER REALTY. — A statute permitted a wife to contract and deal so as to affect her real and personal property in the same manner and with the same effect as if she were unmarried, but made any conveyance of her realty, without the written consent of her husband, and her privy examination as to her willingness to convey, invalid. 1911 N. C. PUBLIC LAWS, ch. 109. The plaintiff contracted with the defendant husband and wife for a conveyance of the wife's realty, but no privy examination was taken. On the wife's refusal to convey, the plaintiff sues to recover damages for breach of the contract. *Held*, that he may recover. *Warren* v. *Dail*, 87 S. E. 126 (N. C.).

Effect must be given, if possible, to every word, clause, and sentence of a statute. See *Petri* v. *Commercial, etc. Bank*, 142 U. S. 644, 650. See 2 SUTHERLAND, STATUTORY CONSTRUCTION, 2 ed., § 380. Therefore the statute must be so construed as to distinguish between the right to contract and the right to convey. Specific performance of the contract will not be decreed, as this would involve the transformation of the contract into a conveyance, which is contrary to the distinction made by the statute. *Cf. Martin* v. *Mitchell*, 2 J. & W. 413, 425. But a suit for damages does not involve this difficulty. It is clear that, where a husband is unable to procure a release of dower, he is, nevertheless, liable for the breach of his contract to convey. *Drake* v. *Baker*, 34 N. J. L. 358. By similar reasoning, the wife should be liable on her contract to convey. Nor is such liability contrary to the spirit of the statute, for the purpose of the act is not to protect the wife from unfortunate contracts, but to prevent the loss of her realty. And such liability adds no extra burden to her land since it is subject to levies to satisfy judgments for breaches of her other contracts. See *Royal* v. *Southerland*, 168 N. C. 405, 406, 84 S. E. 708, 709. Under a similar statute such contracts have been held binding. *Brown* v. *Dressler*, 125 Mo. 589, 29 S. W. 13; *Davis* v. *Watson*, 89 Mo. App. 15, 29.

INSURANCE — MARINE INSURANCE — VALUED POLICY — EXTENT OF INSURER'S RIGHT OF SUBROGATION. — The plaintiffs insured the defendant's ship, the *Helvetia*, for the full value, which in the policy was stated to be £45,000. The *Helvetia* collided with the *Empress of Britain* and was totally lost. The insurers paid for a total loss in accordance with value stated in the policy. Subsequently in an admiralty action both ships were held to blame, the *Helvetia* for 7/12 of the damage and the *Empress of Britain* for 5/12, and the owners of the latter paid the defendants £26,900 — 5/12 of £65,000 — which the court found to be the value of the lost vessel. The insurers now demand this sum from the defendants. *Held*, that the insurers are entitled to the full amount recovered from the tortfeasors. *Thames and Mersey Marine Ins. Co.* v. *British and Chilean Steamship Co.*, 32 T. L. Rep. 89, [1916] 1 K. B. 30.

If the insured sues the tortfeasor after he has been indemnified, and recovers, he must hold whatever amount the insurer is entitled to in trust for him. *Gales* v. *Hailman*, 11 Pa. St. 515; *Randal* v. *Cockran*, 1 Ves. Sen. 97. How-